

Chapter 5.75

PAWNBROKERS

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5.75.010 Pawnbroker—Definitions.

As used in this chapter, the following words shall have the meaning as defined in this chapter:

A. “Pawnbroker” means any person who loans money on deposit of personal property, or deals in the purchase, exchange or possession of personal property on condition of selling the same back again to the pledger or de-

positor, or who loans or advances money on personal property by taking chattel mortgage security thereon and takes or receives such personal property into his possession, and who sells the unredeemed pledges, together with such new merchandise as will facilitate the sale of same.

B. “Registered customer” means any person who is registered with the dealer and who the dealer knows to be a reputable person in the community. A registered customer must complete a registered customer form supplied by the police department and maintained in the dealer’s records. The registered customer form shall have positive identification sections and a section stating that the registered customer certifies that property he will sell to the dealer meets the requirements of subsection B(1) of section 5.75.090 of this title.

5.75.020 License—Required.

It is unlawful for any person to operate as a pawnbroker, without first obtaining a license to do so. A separate license shall be required for each location and for the conduct of the business of a dealer.

5.75.030 License—Application—Issuance conditions.

A. Each application for a license shall be made on the form that the license official requires, and the applicant shall certify that the information given is true and correct under the penalties of perjury.

B. Each application for a pawnbroker license shall contain such information as deemed necessary by the police department and the license official.

C. Only individuals may apply for a pawnbroker license:

1. If an application is made on behalf of a corporation, limited partnership, LLC or other business entity, the license shall be applied for by and issued to the president of the corporation or members of the partnership, LLC or other entity who are authorized to act

for it.

2. If the application is made on behalf of a partnership, the license shall be applied for by and issued to all of the partners who are authorized to act for the partnership. Where any partner is a corporation, limited partnership, LLC or the like, the application shall be made by and issued to the president of the corporation or members of the limited partnership, LLC or other entity who are authorized to act for it.

D. Each individual who applies for a pawnbroker's license under this chapter assumes, as an individual, all responsibilities of the pawnbroker and, as an individual, is subject to all conditions, restrictions and requirements imposed on pawnbrokers.

E. Each individual applying for a pawnbroker license shall not be issued a license until such time as the police department has conducted a background investigation on the applicant pursuant to section 5.08.080 of this title.

5.75.040 License—Fees.

The license fee for the following occupations shall be as specified in the fee schedule adopted pursuant to section 5.06.050: pawnbroker.

5.75.050 Relocation of business—License required.

A. A pawnbroker may conduct the licensed business only from the fixed permanent location as specified in the application for the license, which shall be other than a motel or hotel room generally used by transients.

B. A pawnbroker may not remove or relocate the location specified in the license for the business, or open any additional location unless the person has applied for and obtained a separate license from the license official.

5.75.060 Reporting changes in license information.

If, during any license year, there is a change in the information that a pawnbroker gave in obtaining or renewing a license under this chapter, the pawnbroker shall report the change to the license official within 30 days after the change occurs, and certify that the information given is true and correct under the penalties of perjury.

5.75.070 License—Denial, suspension or revocation.

The license official may refuse to grant a license to any pawnbroker, and may suspend, revoke or refuse to renew the license of any pawnbroker if it finds.

A. The pawnbroker has violated or is attempting to violate any provisions of this chapter;

B. A similar license issued to the pawnbroker has been suspended, revoked or refused in another jurisdiction for a reason which would justify such action under this chapter;

C. Any officer, manager, agent or employee of the pawnbroker has violated or is attempting to violate any provisions of this chapter unless the person or pawnbroker:

1. Had no knowledge of the wrongful conduct and in the exercise of reasonable diligence could not have known of the conduct, and

2. Was unable to prevent the violation or attempted violation with the exercise of reasonable diligence; or

D. The pawnbroker has been convicted of theft or receiving stolen property on one or more occasions within the past five years.

5.75.080 Hearing on denial, suspension or revocation.

Before revoking, suspending or refusing to grant or renew any license, the applicant, employee or pawnbroker shall be informed of an opportunity to appeal such decision in accordance with the provisions hereof.

5.75.090 Recordkeeping—Requirements generally.

A. It is unlawful for any pawnbroker licensed by this chapter to fail to use a computer information system approved by the police department, in which he shall enter at the time of purchase, in the English language:

1. The name, date of birth, address and physical description of the person selling the property;

2. The driver's license number or any other positive form of identification containing a numerical identifier and a photograph of the person selling the property;

3. The date and time of the transaction;

4. The identification of the person making the record entry;

5. A description of the item purchased or obtained by the pawnbroker, including, but not limited to, a description of the metallic composition, any jewels, stones or glass, and a listing of all numbers, marks, monograms, trademarks, manufacturer's names, serial numbers, and any other marks of identification appearing on the item.

6. The weight of the item or items, where payment is based on weight; and

7. The consideration paid for the item or, if pawned, the amount of money loaned or advanced.

B. Notwithstanding the foregoing paragraph, pawnbrokers who process fewer than 50 transactions per month may request written permission from the police department to use a non-computerized alternative standardized format written in ink in a legible manner specified and approved by the police department for reporting the information required in subsection A above.

C. In addition to the requirements of subsection A of this section, a pawnbroker shall also obtain and keep the following:

1. A written certificate, on forms prescribed by the police department that the person delivering the property has the legal right

to sell such property; and

2. If the value of the property exceeds \$20, a pawnbroker, or an agent, employee, or representative of a pawnbroker or person who buys, receives, or obtains such property shall also require the seller or person delivering the property, whether known or not, to give a legible fingerprint, preferably the right thumb, at the bottom of the written certificate next to his signature, and a copy of at least one other positive form of picture identification.

5.75.100 Recordkeeping—Legibility and access for inspection.

A. All records of all pawnbrokers defined in this chapter shall be open to inspection by any peace officer as defined by *Utah Code Ann.*, § 77-1a-1.

B. Upon request to do so by any peace officer as defined by *Utah Code Ann.*, § 77-1a-1, all goods, articles or other things pawned, pledged, sold or delivered to such pawnbroker must be retained and held until released by the police department or delivered to the police department upon consent of the dealer or pursuant to the terms of any search warrant issued to the police department, and served upon such pawnbroker.

5.75.110 Certificate copies to police department.

It is unlawful for any pawnbroker to fail to have available to the police department the records required to be maintained by this chapter on the business day following the transaction. It is also unlawful for any pawnbroker to fail to retain the records required by this chapter for three years following the transaction at his place of business and provide such records for inspection by the police department.

5.75.120 Operation—Regulations to be posted.

It is unlawful for any pawnbroker to conduct or transact business licensed under this

chapter unless he shall keep conspicuously posted at his place of business a copy of these provisions.

5.75.130 Operation—Hours of closure.

It is unlawful for any dealer licensed under this chapter to keep his place of business open for trade before the hour of 7:00 a.m. or after 10:00 p.m., unless prior written permission is received from the police department.

5.75.140 Property—Holding period before disposition.

A. It is unlawful for any pawnbroker licensed under this chapter to sell, melt, change (except for customary testing), take apart, destroy, obliterate identification marks, or dispose of any property purchased or obtained by a pawnbroker until 30 days have elapsed from the date of compliance with the reporting requirements of sections 5.75.090 and 5.75.100, or for such additional time as to any specific item or items as may be directed by the police department or its designee. All items being so stored shall be segregated from other items and shall be identified by a tag attached to the property, numbered in a manner to correspond with the number of the transaction description in the business records required to be kept by section 5.75.090. Items purchased in bulk may be tagged in bulk. Items may be stored at other locations in the city approved by the police department. The pawnbroker shall produce these items at the business location within one hour of a request to do so by the police department. Where compliance is impossible because of the close of business hours, the item shall be produced within one hour of the opening of business on the next business day.

B. The requirements of subsection A of this section shall not be applicable to any unidentifiable secondhand precious metals which have been inspected and received written clearance for earlier disposition by the police department.

C. The police department may request that the manager modify the recordkeeping or reporting requirements of this section.

5.75.150 Stolen goods reports.

It shall be the duty of every pawnbroker to report to the police department any article sold, or which it is sought to sell, if he shall have reason to believe that the article was stolen, or lost or found by the person attempting to sell it in the case of a lost article.

5.75.160 Computer reporting.

The police department is authorized to transfer the information received pursuant to this chapter into a computer information system and to report the information in such forms as the police department may determine is useful for law enforcement purposes.

5.75.170 Premises—Pawnbroker partition requirements.

It is unlawful for any pawnbroker to keep or maintain his pawnbroker business in the same room or rooms with any other business. Patrons must enter and take their exit from all pawnbrokers' places of business through outside doors or entrances.

5.75.180 Pawnbroker—Liability of licensee.

The holder of a pawnbroker license is liable for any and all acts of his employees for any violation by them of any of the provisions of this chapter.

5.75.190 Dealing with minors prohibited.

It is unlawful for any pawnbroker under this section, by himself, his agents or servants, to purchase or receive any personal property, or any articles whatsoever, from any person under 18 years of age.